

MOTION NO. M2014-73

Clear Channel Outdoor, Inc. License Amendment

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Operations & Administration Committee	10/09/2014	Recommendation to Board	Ahmad Fazel, DECM Executive Director
Board	10/23/2014	Final Action	Nancy Bennett, Property Management Manager

PROPOSED ACTION

Authorizes the chief executive officer to execute a license amendment with Clear Channel Outdoor, Inc. to extend the license term for an existing billboard until Sound Transit terminates the agreement for Sound Transit's business purposes.

KEY FEATURES SUMMARY

- Clear Channel Outdoor, Inc. operates a billboard advertising sign on a portion of Sound Transit property located at 901 Howell Street, Seattle WA 98101. The property consists of vacant land that Sound Transit uses for offices and construction.
- The license with Sound Transit commenced on November 1, 2009 and will expire on October 31, 2014.
- Resolution No. 78-2 requires that all license agreements with a term greater than five years be approved by the Board.
- This action would extend the term of the license until Sound Transit terminates the agreement for Sound Transit's business purposes.
- Clear Channel is currently paying \$1,125.51 per month. The rent will increase 3% every November, commencing November 1, 2014.

BACKGROUND

Sound Transit acquired the property located at 901 Howell Street, Seattle WA 98101 on March 8, 2002. With the acquired property, Sound Transit inherited a previous agreement dated December 30, 1988 with Clear Channel Outdoor, Inc. which was a successor to Ackerley Communications, Inc.

License revenues are included within the miscellaneous revenues the agency receives. The Clear Channel Outdoor, Inc. annual license revenue of \$13,506 is included within the adopted 2014 miscellaneous revenue budget of \$10.7 million. The license revenue will increase by 3% annually every November 1st.

Clear Channel Outdoor Inc. Budget Table

Revenue	Adopted 2014 Budget	Revenues Expected in 2014	Future Annual % Increase
Clear Channel Outdoor Inc. License Revenue	\$14	\$14	3%
Other Miscellaneous Revenues	\$10,685	\$10,685	-
Total Miscellaneous Revenues Budget	\$10,699	\$10,699	-

Notes:

Amounts are expressed in Year of Expenditure \$000s.

Miscellaneous Revenue budget is located on page 10 of the Adopted 2014 Budget book.

SMALL BUSINESS/DBE PARTICIPATION AND APPRENTICESHIP UTILIZATION

Sound Transit promotes and encourages small business participation, which also includes Disadvantaged Business Enterprises (DBEs). Small Business and DBE goals are based upon an examination of subcontracting opportunities contained in the work of this contract and the number of Small Businesses/DBEs available to perform such subcontracting work.

Sound Transit determined that Small Business and DBE subcontracting opportunities are infeasible or improbable based upon the work described in this contract, so Small Business/DBE goals were not established or required.

PUBLIC INVOLVEMENT

Not applicable to this action.

TIME CONSTRAINTS

The current license agreement expires on October 31, 2014. Board approval is required before the license agreement may be renewed.

PRIOR BOARD/COMMITTEE ACTIONS

Resolution No. R2000-04: Authorized the Executive Director to acquire, dispose, or license certain real property interest by negotiated purchase, by condemnation, by settling condemnation litigation or entering administrative settlements, and to pay eligible relocation and re-establishment benefits to affected parties as necessary for the central Link Light rail project (Design-Build Contract Segment, from NE 45th St. to Convention Place Station).

ENVIRONMENTAL REVIEW

JI 8/20/2014

LEGAL REVIEW

JB 9/26/2014

MOTION NO. M2014-73

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a license amendment with Clear Channel Outdoor, Inc. to extend the license term for an existing billboard until Sound Transit terminates the agreement for Sound Transit's business purposes.

BACKGROUND:

Sound Transit acquired the property located at 901 Howell Street, Seattle WA 98101 on March 8, 2002. With the acquired property, Sound Transit inherited a previous agreement dated December 30, 1988 with Clear Channel Outdoor, Inc. which was a successor to Ackerley Communications, Inc.

License revenues are included within the miscellaneous revenues the agency receives. The Clear Channel Outdoor, Inc. annual license revenue of \$13,506 is included within the adopted 2014 miscellaneous revenue budget of \$10.7 million. The license revenue will increase by 3% annually every November 1st, commencing November 1, 2014.

The license with Sound Transit commenced on November 1, 2009 and will expire on October 31, 2014. Resolution No. 78-2 requires that all license agreements with a term greater than five years be approved by the Board. This action would extend the term of the license until Sound Transit terminates the agreement for Sound Transit's business purposes.

MOTION:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a license amendment with Clear Channel Outdoor, Inc. to extend the license term for an existing billboard until Sound Transit terminates the agreement for Sound Transit's business purposes.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on October 23, 2014.



Paul Roberts
Board Vice Chair

ATTEST:



Marcia Walker
Board Administrator